Introduce Public Hearing Council Action Executive Action Effective Date

County Council of Howard County, Maryland

2020 Legislative Session

Legislative Day No. 3

Bill No. 14 -2020

Introduced by: Liz Walsh Co-sponsored by: Deb Jung and Christiana Rigby

AN ACT amending the Howard County Code to adjust, beginning on July 1, 2020, the use of the Housing Unit Allocation Rolling Average provision as defined in the Adequate Public Facilities Ordinance; and generally relating to the Housing Unit Allocation Rolling Average provision.

Introduced and read first time March Z, 2020, Ordered postod and hearing scheduled By order Diane Schwaftz Jones, Administrator By order Diane Schwartz Jones, Administrator This Bill was read the third time on Aprillo, 2020 and Passed BPassed with amendments Failed By order Sealed with the County Seal and presented to the County Executive for approval this 2020 af By order Approved/Vetoed by the County Executive Uprul 2020 Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; <u>Underlining</u> indicates material added by amendment

1	Section 1. Be It Enacted by the County Council of Howard County, Maryland, that the Howard
2	County Code is amended as follows:
3	By amending:
4	Title 16. Planning, Zoning and Subdivisions and Land Development
5	Subtitle 11. Adequate Public Facilities
6	Section 16.1110 Definitions
7	
8	
9	HOWARD COUNTY CODE
10	Title 16. Planning, Zoning and Subdivisions and Land Development.
11	
12	Subtitle 11. – Adequate Public Facilities
13	Sec. 16.1110 Definitions.
14	(af) <i>Rolling average</i> means to recalculate the number of available housing unit allocations for a
15	given year in order to MANAGE HOUSING UNIT ALLOCATIONS UNDER [[maintain and achieve]]
16	the general plan residential growth targets.
17	
18	BEGINNING ON JULY 1, 2020, ALL PRIOR AVAILABLE ALLOCATIONS ARE EXPIRED AND SHALL BE
19	EXCLUDED FROM THE ROLLING AVERAGE. NOTWITHSTANDING THE PRECEDING SENTENCE,
20	beginning on July 1, 2020, no more than 10 percent of the available allocations
21	FROM THE IMMEDIATELY PRECEDING YEAR'S HOUSING UNIT ALLOCATION CHART MAY BE
22	INCLUDED IN THE RECALCULATION OF THE ROLLING AVERAGE. THIS PROVISION SHALL NOT
23	APPLY TO DOWNTOWN COLUMBIA HOUSING UNIT ALLOCATIONS.
24	
25	Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland that
26	this Act shall be effective 61 days after its enactment, and remain effective until, whichever comes
27	first, the adoption of the County's General Plan by the County Council or January 4, 2023. As of
28	the termination date, this Act, with no further action required by the County Council, shall be

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29 abrogated and of no further force and effect.

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on , 2020. April Diane Schwartz Jones, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on ______, 2020.

Diane Schwartz Jones, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on ______, 2020.

Diane Schwartz Jones, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on ______, 2020.

Diane Schwartz Jones, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on ______, 2020.

Diane Schwartz Jones, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on ______, 2020.

Diane Schwartz Jones, Administrator to the County Council

Office of the County Auditor Auditor's Analysis

Council Bill No. 14-2020

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Introduced: March 2, 2020 Auditor: Monica Kearns

Fiscal Impact:

This legislation is not expected to have a near-term fiscal impact.

Since July 2015, there have been sufficient housing allocations to meet the number of units requested. The Department of Planning and Zoning (DPZ) expects a trend of slowed development to continue.

Therefore, it is expected that development projects would receive their allocations without experiencing a wait period and County revenues would not be delayed.

If development trends change and requests for housing units exceed the authorized allocations, projects would wait to receive allocations and County construction-related revenue would be delayed.

Purpose:

Beginning on July 1, 2020, the legislation would eliminate prior unused housing allocations that have been rolled forward into future allocation years.

Also, beginning July 1, 2020, no more than 10 percent of the allocations remaining from the immediately preceding year would be allowed to roll forward.

The legislation does not apply to Downtown Columbia.

The rolling average calculation specified in Section 16.1110(o) is unchanged by the legislation. Therefore, each carryforward allocation is divided across the next three years.

Other Comments:

Under the proposed legislation, we estimate that unused allocations will be about 500 units per year, resulting in a rollover of approximately 17 units allocated to each of the following three allocation years.

These estimates are based on current conditions and exclude Downtown Columbia. According to data provided by the DPZ, tentative allocations are assumed to be 1,400 units per year.

The DPZ has begun the process to develop a new General Plan to govern growth, and the department has reported that the new plan will likely re-set the housing allocation amounts that are currently in effect.

Housing allocations granted in any given year are for proposed buildout three years later, per Section 16.1104(a)(3) of the County Code.

The Housing Allocation Chart currently in effect is represented by Council Resolution 82-2018 and is for units that will begin construction in July 2021 (Fiscal Year 2022) or later. The chart for units that will begin construction in July 2022 (Fiscal Year 2023) or later is represented by Council Resolution 98-2019, which is currently tabled.

Sayers, Margery

From:	Angelica Bailey <abailey@marylandbuilders.org></abailey@marylandbuilders.org>
Sent:	Monday, April 6, 2020 12:37 PM
То:	Rigby, Christiana; 'Opel Jones'; Jung, Deb; Walsh, Elizabeth; Yungmann, David
Cc:	Knight, Karen; Facchine, Felix; Harris, Michael; Williams, China; Dvorak, Nicole; Sidh,
	Sameer; Gowan, Amy; CouncilMail; Jason van Kirk; Lori Graf
Subject:	MBIA Letter In Opposition re. CB14-2020
Attachments:	MBIA Opposition Letter to CB14 – Housing Allocations.pdf

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Good Afternoon,

Please find MBIA's letter in opposition of Council Bill 14-2020 attached.

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Best, Angelica Bailey

Angelica Bailey, Esq. Vice President of Government Affairs <u>abailey@marylandbuilders.org</u> Maryland Building Industry Association 11825 W. Market Place Fulton, MD 20759 Cell: 202-815-4445 Dir: 301-776-6205 Ph: 301-776-MBIA





11825 West Market Place | Fulton, MD 20759 | 301-776-6242

April 6, 2020

Re: OPPOSITION TO CB14-2020 – Housing Allocations

Dear Chairwoman Jung and Members of the Howard County Council:

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The Howard County Chapter of the Maryland Building Industry Association (MBIA) writes in opposition to Council Bill 14-2020, which would exclude all prior available housing allocations from the rolling average, starting July 1, 2020, and prohibit more than 10% of the allocations from the preceding year from being included in the recalculation of the rolling average.

While it appears that there have been sufficient housing allocations to meet the number of units requested since July 2015, this doesn't account for the type of housing demanded. The General Plan distributes allocations among five geographic categories: Growth & Revitalization; Established Communities; Rural West; Downtown Columbia; and Green Neighborhoods. These categories do not receive the same numbers of allocations, and there is not equal demand for building in across all categories. An "excess" of allocations in one area does not necessitate significant restrictions across the board; doing so would artificially restrict supply and further increase the cost of housing in areas that are in demand.

Limiting allocations in this manner would also hurt the County financially. Housing allocations weren't designed to be a growth limiting tool, but a goal; the County needs these pre-determined numbers of units to generate revenue it needs to sustain itself. The fact that our industry is not utilizing all the allocations available is bad – it means we aren't building enough for the County to continue to provide quality services. This is evidenced by 2019's Spending and Affordability Report.

This problem will only be exacerbated by a prohibition on rollover allocations; allocations do not guarantee a project will move forward, since it must still pass APFO and the schools test. The loss of the backlog will increase the likelihood that projects that are not awarded allocations in the first year for which they are eligible may be awarded allocations in a later year, only to face a Closed School attendance area and be held in an APFO school bin for one or more years. Except for the West, many of the areas in the Planned Service Area that are Open today are projected to be Closed with the adoption of the May 2020 APFO School Capacity Chart.

As our economy heads towards a recession, we need new development to generate revenue for Howard County. The Department of Planning and Zoning has begun the process to develop a new General Plan to govern growth, and the department has reported that the new plan will likely re-set the housing allocation amounts that are currently in effect. Things will change again in just a few years. We should be encouraging new development in the areas predetermined by the General Plan until then. Additional restrictions at this time are fiscally irresponsible.

For these reasons, the MBIA is opposed to this legislation, and asks you please vote against Council Bill 14-2020.

Thank you for your attention to this issue and your continued support of the local home building industry. If you have any questions about these comments and would like to discuss MBIA's position further, please do not hesitate to contact me at <u>abailey@marylandbuilders.org</u> or (202) 815-4445.

Best regards,

Angelica Bailey, Esq., Vice President of Government Affairs

Cc: Councilman Opel Jones Councilmember Christiana Mercer Rigby Councilman David Yungmann County Executive Calvin Ball Sameer Sidh, Chief of Staff to the County Executive Councilmember Elizabeth Walsh

Sayers, Margery

From:	Lisa May <lisavm78@vt.edu></lisavm78@vt.edu>
Sent:	Monday, April 6, 2020 12:09 PM
То:	CouncilMail
Subject:	HCAR Comments on CB-14
Attachments:	HCAR comments on CB 14-2020.pdf

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Good afternoon Council Members,

On behalf of the Howard County Association of REALTORS, please find attached our comments on CB 14, which you will consider during today's public hearing and legislative session. If you have any questions or concerns, please do not hesitate to contact us.

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We hope that you and County staff stay safe and well during this time.

Best regards, Lisa May HCAR



Main 410 715 1437 Fax 410-715-1489 Web www.hcar.org

April 6, 2020

The Honorable Deb Jung, Chairperson Howard County Council George Howard Building 3430 Court House Drive Ellicott City, MD 21043

RE: CB 14-2020, Housing Unit Allocations

Chairperson Jung and Members of the Council,

On behalf of the Howard County Association of REALTORS® (HCAR), an organization representing over 2,000 real estate professionals, we write to offer our opposition to CB 14-2020 as currently written.

Over the past decade, Howard County has experienced a strong real estate market fueled by robust buyer demand and historically low interest rates. HCAR must caution that this was not always the case in the past and is not guaranteed to continue indefinitely. Normal market fluctuations or broader economic downturns will certainly reduce the demand for housing allocations in certain years. If the County restricts the market's ability to recover from a downturn when it occurs, our existing housing shortages will grow that much more severe, and our housing affordability challenges will grow exponentially.

In just the short amount of time between when CB 14 was introduced until today's public hearing, we have experienced an abrupt change in virtually every aspect of our economy, the housing market included. We do not yet know what the short or long-term impacts will be on housing demand or production. That makes the timing of this proposal particularly fraught with unforeseen consequences.

Selecting a ten percent cap on the number of housing allocations which can roll over will hamper the County's ability to recover from a real estate or economic slowdown, will reduce housing choice in the County, and will push homeownership further out of reach for Howard residents who are already struggling with high prices and low supply. HCAR urges you to reconsider imposing this strict and arbitrary cap on housing unit allocation rollovers.

Sincerely,

Lisa Wissel President, Howard County Association of REALTORS®

F /HCARVOICE

8600 Snowden River Parkway, Ste. 104 Columbia, MD 21045

Sayers, Margery

From:LISA MARKOVITZ <Imarkovitz@comcast.net>Sent:Sunday, April 5, 2020 4:37 PMTo:CouncilMailSubject:Testimony for cb14-2020Attachments:cb142020.docx; scanhcca.pdf; scan tpv.pdf

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CB14-2020

Attached is testimony for CB14-2020 support, from The People's Voice and the Howard County Citizens Assn. Both group forms are also attached.

Thanks, Lisa Markovitz The Peoples' Voice and Howard County Citizens Association Supports cb14-2020

CB14 proposes to eliminate the rolling average of residential allocations for development. This is a commendable suggested change due to the need for pacing of infrastructure needs in our County. Even though the General Plan has growth goals, it thwarts the ability to successfully plan our County service provisions for growth to have unused allocations move forward. This could lead to years when there are too many units incoming that could overwhelm our County resources.

We currently have a budget crisis, with not enough funds for our School System, and other public service increased needs. Our growth cannot continue to be allowed to go without pacing, and we have to take control of planning in a more organized and fiscally responsible way, with predictability and prioritizations of quality and safety of services that Howard County residents need and expect.

It may be true that there are growth goals in PlanHoward 2030 but there are maximums and regional allowances, and rolling those forward is the opposite of good planning, and pacing growth. Even with the expected economic, possibly long-term downturns due to the corona virus, any decrease in building projects will simply be a more organic slowdown not coming up against allocation limits anyway.

According to the Department of Planning and Zoning, currently, and over the recent past, development does not wait long for allocations as it is, so there is not much downside to implementing this now, while there would not be a large impact on current projects, an no expected larger demand for them in the near future either.

Lisa Markovitz President, The People's Voice VP HCCA

CB14-2020

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Sayers, Margery

From: Sent: To: Cc: Subject: Attachments: Carolyn Parsa <carolyn.parsa@mdsierra.org> Monday, March 16, 2020 5:11 PM CouncilMail Ball, Calvin Support for CB14-2020 CB14-2020 SGAHC.pdf

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Honorable County Council,

Please find a letter of support for CB14-2020 from the Smarter Growth Alliance of Howard County.

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Thank you.

--Carolyn Parsa Sierra Club Howard County Chair

Smarter Growth Alliance for Howard County

March 16, 2020

The Honorable Howard County Council George Howard Building 3430 Court House Drive Ellicott City, MD 21043

RE: Support of CB14-2020

Dear Council Members:

The Smarter Growth Alliance for Howard County is an alliance of local and state organizations working together to foster healthy, equitable and sustainable communities through smarter development and transportation decisions and improved protections for the county's natural, historic and cultural resources.

CB14 proposes to eliminate the ability of unused residential development allocations to roll over into the next year. This is a commendable suggested change due to the need for controls that help with pacing of infrastructure needs in our County. Unused allocations that are made available the following year have the potential to thwart the ability of the General Plan to successfully match the growth in development with the growth in the County's service provisions. This could lead to years when there are too many units incoming that could overwhelm our County resources.

We currently have a budget crisis, with not enough funds for our School System, and other public service increased needs. Our growth cannot continue to be allowed to go without pacing, and we have to take control of planning in a more organized and fiscally responsible way, with predictability and prioritizations of quality and safety of services that Howard County residents need and expect.

According to the Department of Planning and Zoning, currently, and over the recent past, development does not wait long for allocations, so there is not much downside to implementing this now, while there would not be a large impact on current projects.

Audubon MD-DC • Audubon Society of Central Maryland • Bicycling Advocates of Howard County Chesapeake Bay Foundation •Clean Water Action•Coalition for Smarter Growth•Community Ecology Institute Earth Forum of Howard County•HARP •Horizon Foundation•Howard County Citizens Association Howard County Conservancy •Howard County Sierra Club •Maryland Conservation Council Maryland League of Conservation Voters •Maryland Ornithological Society •Patapsco Heritage Greenway Preservation Maryland • Safe Skies Maryland•Savage Community Association •The People's Voice •Transition Howard County March 16, 2020 The Honorable Howard County Council Page 2

Sincerely,

The People's Voice, LLC Lisa M. Markovitz President

Savage Community Association Susan Garber Board Chair

Howard County Sierra Club Carolyn Parsa Chair

Transition Howard County Margo Duesterhaus President Safe Skies Maryland Mark Southerland, Ph.D. Legislative Director

Howard County Citizens Association Stu Kohn President

Preservation Maryland Nicholas A. Redding Executive Director

Clean Water Action Emily Ranson Maryland Program Coordinator

cc: The Honorable Calvin Ball, County Executive